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USAID/General Notice
INFORMATION
M/OP
04/12/96

**SUBJECT: Class Justification for Other Than Full and Open Competition:
Follow-on Amendments**

CONTRACT INFORMATION BULLETIN 96-13

A class Justification for Other Than Full and Open Competition was approved by the Administrator on February 29, 1996, which authorizes USAID Contracting Officers to procure, with certain restrictions and under certain conditions, services through follow-on amendments using other than full and open competition. This CIB provides intermediate guidance for this practice until the AIDAR can be formally amended.

To date, Contracting Officers have utilized an exception contained in FAR 6.302-1 to procure follow-on services through other than full and open competition when appropriate. Although USAID is not one of the agencies explicitly authorized to use the exception, prior interpretations of the exception and statutory competition requirements enabled it to be used by the Agency. Recently, however, USAID's Office of General Counsel determined that the exception at FAR 6.302-1 is not applicable to USAID. As a result, a different mechanism was required to allow the practice of follow-on contracts.

Under AIDAR 706.302-70, the Administrator of USAID has the authority to waive full and open competition when "it would impair or otherwise have an adverse effect on programs conducted for the purpose of foreign aid, relief, and rehabilitation." This class justification essentially allows USAID to use the procedures for procuring follow-on services through other than full and open competition as set forth under FAR 6.302-1. It is to be utilized only for the continued provision of highly specialized services when award to another source would result in substantial additional costs to the Government or would result in unacceptable delays.

The justification shall not be used automatically. As described in

FAR 6.302-1 and 6.304, and AIDAR 706.3, its use shall be justified in writing by the Contracting Officer and approved by the proper authority, and shall be advertised as required in the above FAR subparts and FAR 5.201, and AIDAR 705.2. For proposed follow-on amendments in excess of one year or over \$250,000, approval of the Agency Competition Advocate is required. The authority may not be used for a succession of smaller follow-on amendments in order to avoid Agency Competition Advocate approval. When using this justification, the appropriate authority citation shall be AIDAR 706.302-70 and this CIB.

Annual Reports shall be provided to the Procurement Executive, through the Agency Competition Advocate, which detail the usage of the authority during the previous fiscal year. These annual reports shall be submitted no later than November 1.

POINT OF CONTACT: Questions regarding this policy should be directed to Elizabeth Cordaro, M/OP/E, X5-1535.

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